

Resolution No.:	<u>19-426</u>
Introduced:	<u>April 16, 2020</u>
Adopted:	<u>April 21, 2020</u>

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead sponsor: County Council

SUBJECT: Special Appropriation to the Fiscal Year 2020 Operating Budget
Montgomery County Government
Montgomery County Economic Development Corporation Non-Departmental
Account, Support for COVID-19 Response – Local Production Fund, \$100,000
(Source of Funds: General Fund Reserves)

Background

1. Section 308 of the County Charter provides that a special appropriation is an appropriation which states that it is necessary to meet an unforeseen disaster or other emergency, or to act without delay in the public interest. Each special appropriation shall be approved by not less than six Councilmembers. The Council may approve a special appropriation at any time after public notice by news release. Each special appropriation shall specify the source of funds to finance it.
2. A new coronavirus disease, named COVID-19, appeared in China in December 2019 and spread extremely quickly. On March 11, 2020 the World Health Organization declared the disease a pandemic. The April 11, 2020 situation report from the World Health Organization stated that the number of confirmed cases worldwide has exceeded 1.6 million, (approximately 1.5 million more than 1 month earlier). As of April 12, 2020, there were 1,631 cases and 42 deaths in Montgomery County.
3. To slow the spread of the disease, Governor Hogan declared a State of Emergency and has issued several Executive Orders with actions that include, but are not limited to, closing schools, closing senior centers and adult medical day care programs, and limiting the number of people that can gather.
4. On April 9th the County's Health Officer issued a Directive requiring employees and customers in grocery stores (including farmers' markets), pharmacies, and large chain retail establishments to wear face coverings.
5. The efforts to contain the spread of the disease has resulted in a global shortage of Personal Protective Equipment (PPE).
6. Montgomery County is home to local businesses who can produce and provide essential items, including PPE; several local businesses have begun production, but the Montgomery County Economic Development Corporation (MCEDC) believes more local businesses can enhance or modify business models to address supply shortages due to the current health crisis if businesses are provided with new sources of working capital.

7. A FY20 Operating Budget special appropriation is requested for the Montgomery County Economic Development Corporation Non-Departmental Account:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$100,000	\$100,000	General Fund Undesignated Reserve

8. This special appropriation is needed to support MCEDC's Local Production Fund to build the capacity of small- and medium-sized manufacturers and producers that can address the County's supply shortages due to the health crisis. MCEDC will match the appropriation with \$100,000 from its existing budget.
9. Notice of public hearing was given and a public hearing was held.
10. The Council approved amendments requested by MCEDC prior to action to: 1) call it the Local Production Fund; 2) clarify the purpose of the funding; and 3) note that MCEDC will match the County's funding.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

A special appropriation to the FY20 Operating Budget for the Montgomery County Economic Development Corporation Non-Departmental Account:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$100,000	\$100,000	General Fund Undesignated Reserve

This appropriation is needed to act without delay in the public interest.

This is a correct copy of Council action.


 Selena Mendy Singleton, Esq.
 Clerk of the Council